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How Not to Make a Drug Bust

The case that may be the FBI's biggest embarrassment since the bungled investigation of auto magnate John Z. De Lorean broke open with a spectacular plane crash in the swamps of Louisiana. As a group of startled duck hunters looked up, a low-flying Cessna roared over the marsh near Grand Chenier, La., around 9 a.m. on Nov. 10, 1984. Suddenly, the plane—almost out of fuel and flying on one engine—spun into the swamp upside down. The hunters raced to the wreckage and rescued the two men aboard. Then they noticed a film of white powder on the water around the plane. The police were called and soon retrieved some 1,300 pounds of pure co-

flights as well. There was only one catch: each time, the informant told the FBI he did not know the smugglers' destination in the United States—and agents were unable to intercept the shipments as they arrived.

From the DEA's point of view, it was bad enough that the FBI had been unable to prevent the smugglers from importing more than 1,500 pounds of cocaine into the United States on those two earlier flights—and that as a result, more than \$27 million worth of pure coke had slipped through the bureau's fingers on its way to West Coast dealers. What made it worse was that the DEA had been hot on the trail of the very same smuggling ring—and that despite the

criticisms of the FBI. A bureau spokesman told NEWSWEEK that "your facts are not totally accurate," but he confirmed that an administrative inquiry involving agents in the Miami field office had been completed. The spokesman added: "No final decision has been reached on discipline."

The government's case against the smuggling ring is contained in a 32-page indictment filed by federal prosecutors in Fresno, Calif. The investigation focused on two men, William Thomas Sheehan and Donald Kevin Groh, who are now charged with distributing and manufacturing drugs and with operating a "continuing criminal enterprise"—the smuggling ring, which prosecutors say was run from south Florida. Between January 1980 and August 1983, the government says, Sheehan, Groh and their accomplices distributed more than 850 pounds of cocaine to dealers in California. The operation was so successful that in August 1984, according to the indictment, Sheehan and Groh secretly bought a 253-acre farm with an airstrip in southern Missouri for use as a smuggling base.

Vain Attempt: The FBI apparently found out about the ring through its secret informant, who tipped the Miami office that two Americans would be flying 660 pounds of pure cocaine out of Colombia later in August. The fliers were Eschol Walker III and Daniel Hunter, the same two men who were rescued from the swamp in Louisiana; charged with drug smuggling by federal authorities in Louisiana after the November crash, they accepted negotiated pleas and have been sentenced to prison. The first flight went off without a hitch, and so did a second—although by that time, the FBI was watching Sheehan and Groh in a vain attempt to find the ring's secret base.

The DEA, meanwhile, had been pursuing Sheehan and Groh since late 1983 on the basis of leads it developed in California. Just how much the FBI agents cooperated with their counterparts in DEA isn't clear—but sources say the FBI waited until after the second flight to tell the DEA that it had an informant, that it then minimized his role in the smuggling ring and that it asked the DEA to delay raids on the homes of Sheehan and Groh until after the ill-fated third flight in November.

Although some investigators were convinced that the FBI's informant was a central figure in the smuggling scheme and others think he could have provided better leads all along, the bureau protected him to the end—and prosecutors in both Louisiana and California ultimately accepted the FBI's verdict that he should not be indicted. But resentment of the bureau's highhanded tactics is widespread and the nagging questions remain. Would the investigation have moved more quickly if the FBI and the DEA had pooled their information sooner? Perhaps. Is this any way to wage the war on drugs? The answer, clearly, is no.

ELAINE SHANNON with RICHARD SANDZA
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Wreck of the cocaine-loaded Cessna in Louisiana last year: The FBI and DEA at odds

caine from the wreckage—the largest coke seizure in Louisiana history and a payoff worth upward of \$23 million. The smugglers went to jail, but the case was far from closed—and after months of bitter controversy between the FBI, the U.S. Drug Enforcement Administration and federal prosecutors, it has now become a textbook example of how *not* to make a bust.

The bureaucratic infighting began almost immediately—and the fallout, NEWSWEEK has learned, has not yet ended. Shortly after the plane crash, a team of FBI agents from Miami showed up to interview the pilot and copilot in jail—without asking permission from the DEA, which had taken over the case. The FBI men insisted they had jurisdiction, not the DEA. As a rancorous interagency feud developed, federal prosecutors were appalled to learn that the FBI had known about the smuggling flight all along—since the FBI's Miami office had a confidential informant who was very much involved in the cocaine ring and who had tipped the bureau to two previous

Reagan administration's rhetoric about a united front in the war against drugs, the FBI had kept the DEA almost totally in the dark in order to protect its secret informant. In the aftermath, the FBI's critics challenged its handling of the case, suggesting that the bureau gave too much and got too little from its informant; the FBI claims the informant, who has good connections in Colombia, is still providing valuable intelligence on narcotics traffickers. And though an FBI spokesman denied it, sources say the bureau has begun an overhaul of its guidelines on handling such informants—and that the case may yet result in disciplinary action against the agents involved.

No Details: Last week Assistant FBI Director Floyd Clarke insisted to NEWSWEEK that "the FBI did not authorize or allow drugs to come into the United States" and that "all issues have been resolved between the prosecutor, the FBI and the DEA." Because the case against the alleged leaders of the smuggling ring is pending, Clarke said, "we cannot go into detail" on the